# I ATHAM & WATKINS LLP

March 16, 2005

555 Eleventh Street, N.W., Suite 1000 Washington, D.C. 20004-1304 Tel: (202) 637-2200 Fax: (202) 637-2201

www.lw.com

Moscow

FIRM / AFFILIATE OFFICES

Boston New Jersey Brussels New York Chicago Northern Virginia Frankfurt Orange County Hamburg Paris San Diego Hong Kong London San Francisco Los Angeles Silicon Valley Milan Singapore

Washington, D.C.

Tokyo

# BY ELECTRONIC FILING

Marlene H. Dortch, Secretary Federal Communications Commission Office of the Secretary c/o Natek, Inc. 236 Massachusetts Avenue, N.E. Suite 110 Washington, DC 20002

Re: DIRECTV Service to Alaska; MB Docket No. 03-82; *EX PARTE* 

Dear Ms. Dortch:

Recently, Microcom, a DISH network direct broadcast satellite ("DBS") dealer in Alaska, raised additional issues in this proceeding with respect to the quality of DIRECTV service in Alaska. DIRECTV wishes to respond on the record to Microcom's allegations.

At the outset, it is important to recognize (as the Commission has explicitly noted) that there historically have been and remain significant technical and operational challenges with respect to serving Alaskan DBS subscribers. However, in light of these technical challenges, DIRECTV's service has been reasonably comparable to the service offered to subscribers in the continental U.S. and has consistently improved over the years. Moreover, DIRECTV continues to work to improve service to DBS subscribers residing in the State.

# A. Relevant Technical Background Regarding Alaska DBS Service

Letter from Tom Brady, Microcom, to Marlene Dortch, FCC (Dec. 30, 2004) ("Microcom December 2004 Letter").

### LATHAM & WATKINS LLP

The Commission has observed that underlying its geographic service rules for Alaska and Hawaii service is the concept of "technical feasibility." Moreover, the Commission specifically has acknowledged and made detailed findings regarding the technical challenges of serving subscribers in Alaska. In the International Telecommunications Union ("ITU") Region 2 BSS Plan, only the four western U.S. DBS orbital locations — 148° W.L., 157° W.L., 166° W.L. and 175° W.L. — were originally intended for the provision of service to Alaska. The elevation angles for service to Alaska from 101° W.L., the "core" orbital position for DIRECTV's DBS service, range in most instances from 0° to 11° — well below the minimum elevation angle of 20° found in the Region 2 BSS Plan. In addition, the Commission also has observed that U.S. DBS systems have had particular difficulty in expanding service areas to better serve Alaska, largely due to international power flux density ("pfd") limits put in place to protect terrestrial services located in ITU Region 1.5

There is no doubt that these factors have had a constraining effect on DIRECTV's DBS service to Alaska, in particular on the coverage of DIRECTV satellites collocated at the 101° W.L. orbital position. In general, the lower look angles from 101° mean that the DBS satellite signals have to travel through more atmosphere to arrive at the dish. More atmosphere means greater signal loss, which then means that subscribers must utilize larger dishes to compensate for this effect. In addition, before geographic service requirements were in place for DBS, the design and antenna performance of the DIRECTV 1, 2 and 3 satellites were not optimized for Alaska coverage, and DIRECTV 1R, with a better Alaska footprint, was still constrained by the ITU's pfd limits (which have since been liberalized).

### B. General Improvements to DIRECTV's Alaskan DBS Service

Despite the technical constraints described above, DIRECTV has always offered Alaskan DBS subscribers the same national programming it offers to continental U.S. subscribers, albeit with larger satellite dish antennas for reception of the service. More importantly, as the Commission has recognized, DIRECTV has

Policies and Rules for the Direct Broadcast Satellite Service, IB Docket No. 98-21, *Report and Order* (2002) ("DBS Rules Order"), at ¶ 54.

<sup>3</sup> *Id.* at ¶ 56.

Only Juneau at 18° has an elevation angle approaching this minimum. *See id.* at ¶ 55. This is contrasted with considerably better elevation angles for DBS service provided by EchoStar – with whom Microcom has a dealer relationship — that has its core operations located at 119° W.L.

<sup>&</sup>lt;sup>5</sup> See id. at ¶ 58.

### LATHAM & WATKINS LLP

improved, and will continue to improve, service in Alaska with each new satellite launched.<sup>6</sup>

For example, the recently launched DIRECTV 7S satellite offers improved Alaskan coverage. DIRECTV 8, a hybrid Ku/Ka band satellite that the Commission recently approved for launch and operation into the 101° W.L. orbital position, will replace the DIRECTV 1 and DIRECTV 2 satellites (which, as mentioned, were not originally designed with Alaska coverage in mind), and should markedly improve DIRECTV service reception in Alaska. Furthermore, the launch of additional DBS and Ka-band satellites with Alaska coverage will, over time, enable subscribers' receiving dishes in Alaska to become smaller and more uniform across the State. In short, every new satellite launched by DIRECTV materially improves service to Alaska.

## C. Specific DIRECTV Service Improvements

DIRECTV also has been working over the past year to develop and implement other specific improvements to its DBS service in Alaska.<sup>9</sup> Such improvements include:

• Retail presence and dealer coverage. DIRECTV has at least one authorized independent DIRECTV dealer in each major Alaskan market (Anchorage, Fairbanks, Juneau) stocked with DIRECTV equipment.<sup>10</sup> However,

<sup>6</sup> *Id.* at ¶¶ 58-59.

<sup>&</sup>lt;sup>7</sup> DIRECTV 7S, Order and Authorization, 19 FCC Rcd 7754 (2004), at ¶ 15.

<sup>8</sup> See Public Notice, Report No. SAT-00256, 19 FCC Rcd 22065 (Nov. 5, 2004).

Two Microcom criticisms of DIRECTV's service remain functions of DIRECTV's fundamental technical and satellite configuration, and fall outside the bounds of technical and economic feasibility to address at this time. For example, DIRECTV does intentionally "prevent[] Alaskan DBS subscribers from receiving Spanish language not programming from the 119 degree satellite by requiring installation of a satellite degree satellite so receiving equipment can obtain necessary dish on the 101 software and program guide data." Microcom December 2004 Letter at 1. All DIRECTV set-top boxes must receive signals from 101° for the electronic program guide to work; this a fundamental design feature of DIRECTV service and not unique to Alaskan subscribers. Similarly, there may in fact be occasional service programming losses on the Kenai Peninsula and in Fairbanks, id., where elevation angles are below 10°. See DBS Rules Order at ¶ 55. DIRECTV expects that this improve over time as new satellites are launched. phenomenon will

These dealers are: Bernies in Juneau; Lou's TV and Satellite Service in Fairbanks; and The Satellite Guy in Anchorage. Microcom did bring to DIRECTV's attention

### LATHAM & WATKINS LLP

DIRECTV also is actively working to establish a second independent dealer in such markets, and hopes to do so by the end of March. This will improve DIRECTV's service presence, equipment availability and support structure in Alaska.

- Installation and Direct Sales Capability. DIRECTV has been actively recruiting an authorized Home Services Provider ("HSP") for Alaska to improve its home installation services capability and technical support for Alaskan subscriber installations. The establishment of an HSP for Alaska will also enable DIRECTV to expand the availability of DIRECTV equipment via direct sales by telephone or over the Internet.
- Equipment Offers and Alaska-Specific Marketing Materials. Microcom is correct that one disparity between continental and Alaskan DIRECTV service has been in the area of equipment offers, due primarily to the varying dish sizes necessary to receive DIRECTV service in different parts of Alaska. DIRECTV has committed to standardize these offers so that no such disparity exists. For example, within the next thirty (30) days, Alaskan subscribers will be able to obtain a DIRECTV system with up to 4 standard receivers for free, in the same fashion as continental subscribers. DIRECTV also will be creating Alaska-specific marketing materials in connection with these offers.
- Customer Service and Support. DIRECTV has been working to upgrade its customer service and internal support for Alaskan service. Customer service agents have received additional training in fielding questions from Alaskan subscribers, and a special DIRECTV team has been appointed internally to work with dealers in the State to identify customer needs and to improve service, including via periodic market visits.

\* \* \*

The bottom line is that DIRECTV has always been in compliance with the Commission's geographic service requirements, in spite of the formidable technical challenges attending service to areas "at the geographic extremes of the service area defined by satellite antenna coverage patterns." More importantly, DIRECTV has improved its service to Alaska since Microcom filed its petition in 2003, and will continue to work with Microcom and others to make its Alaska service even better

certain web-site errors in identifying Alaskan retailers. These errors have been corrected.

11 DBS Rules Order at ¶ 80.

Marlene H. Dortch, Secretary March 16, 2005 Page 5

## LATHAM & WATKINS LLP

in the coming months. For these reasons, Microcom's petition should be dismissed and the Commission should bring this proceeding to a close

Respectfully submitted,

-/s/-

James H. Barker of LATHAM & WATKINS LLP

Counsel for DIRECTV, Inc.

cc: Susan Eid, DIRECTV, Inc. Stacy Fuller, DIRECTV, Inc.